



House of Representatives

General Assembly

File No. 468

January Session, 2011

Substitute House Bill No. 6272

House of Representatives, April 7, 2011

The Committee on Government Administration and Elections reported through REP. MORIN of the 28th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING REVISIONS TO THE STATE CODES OF ETHICS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 1-79 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 The following terms, when used in this part, shall have the
4 following meanings unless the context otherwise requires:

5 [(a)] (1) "Blind trust" means a trust established by a public official or
6 state employee or member of his immediate family for the purpose of
7 divestiture of all control and knowledge of assets.

8 [(b)] (2) "Business with which he is associated" means any sole
9 proprietorship, partnership, firm, corporation, trust or other entity
10 through which business for profit or not for profit is conducted in
11 which the public official or state employee or member of his
12 immediate family is a director, officer, owner, limited or general

13 partner, beneficiary of a trust or holder of stock constituting five per
14 cent or more of the total outstanding stock of any class, provided, a
15 public official or state employee, or member of his immediate family,
16 shall not be deemed to be associated with a not for profit entity solely
17 by virtue of the fact that the public official or state employee or
18 member of his immediate family is an unpaid director or officer of the
19 not for profit entity. "Officer" refers only to the president, executive or
20 senior vice president or treasurer of such business.

21 [(c)] (3) "Candidate for public office" means any individual who has
22 filed a declaration of candidacy or a petition to appear on the ballot for
23 election as a public official, or who has raised or expended money in
24 furtherance of such candidacy, or who has been nominated for
25 appointment to serve as a public official, but shall not include a
26 candidate for the office of senator or representative in Congress.

27 [(d)] (4) "Board" means the Citizen's Ethics Advisory Board
28 established in section 1-80, as amended by this act.

29 [(e)] (5) "Gift" means anything of value, which is directly and
30 personally received, unless consideration of equal or greater value is
31 given in return. "Gift" [shall] does not include:

32 [(1)] (A) A political contribution otherwise reported as required by
33 law or a donation or payment as described in subdivision (9) or (10) of
34 subsection (b) of section 9-601a;

35 [(2)] (B) Services provided by persons volunteering their time, if
36 provided to aid or promote the success or defeat of any political party,
37 any candidate or candidates for public office or the position of
38 convention delegate or town committee member or any referendum
39 question;

40 [(3)] (C) A commercially reasonable loan made on terms not more
41 favorable than loans made in the ordinary course of business;

42 [(4)] (D) A gift received from [(A)] (i) an individual's spouse, fiancé
43 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such

44 individual, or [(C)] (iii) the child of such individual or the spouse of
45 such child;

46 [(5)] (E) Goods or services [(A) which] (i) that are provided to a state
47 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
48 agency property, or [(ii)] (II) that support an event, and [(B) which] (ii)
49 that facilitate state or quasi-public agency action or functions. As used
50 in this [subdivision] subparagraph, "state property" means [(i)]
51 property owned by the state or a quasi-public agency, or [(ii)] property
52 leased to a state agency or quasi-public agency;

53 [(6)] (F) A certificate, plaque or other ceremonial award costing less
54 than one hundred dollars;

55 [(7)] (G) A rebate, discount or promotional item available to the
56 general public;

57 [(8)] (H) Printed or recorded informational material germane to
58 state action or functions;

59 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
60 the aggregate per recipient in a calendar year, and consumed on an
61 occasion or occasions at which the person paying, directly or
62 indirectly, for the food or beverage, or his representative, is in
63 attendance;

64 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
65 person and consumed at a publicly noticed legislative reception to
66 which all members of the General Assembly are invited and which is
67 hosted not more than once in any calendar year by a lobbyist or
68 business organization. For the purposes of such limit, [(A)] (i) a
69 reception hosted by a lobbyist who is an individual shall be deemed to
70 have also been hosted by the business organization which he owns or
71 is employed by, and [(B)] (ii) a reception hosted by a business
72 organization shall be deemed to have also been hosted by all owners
73 and employees of the business organization who are lobbyists. In
74 making the calculation for the purposes of such fifty-dollar limit, the

75 donor shall divide the amount spent on food and beverage by the
76 number of persons whom the donor reasonably expects to attend the
77 reception;

78 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
79 person and consumed at a publicly noticed reception to which all
80 members of the General Assembly from a region of the state are
81 invited and which is hosted not more than once in any calendar year
82 by a lobbyist or business organization. For the purposes of such limit,
83 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
84 deemed to have also been hosted by the business organization which
85 he owns or is employed by, and [(B)] (ii) a reception hosted by a
86 business organization shall be deemed to have also been hosted by all
87 owners and employees of the business organization who are lobbyists.
88 In making the calculation for the purposes of such fifty-dollar limit, the
89 donor shall divide the amount spent on food and beverage by the
90 number of persons whom the donor reasonably expects to attend the
91 reception. As used in this subdivision, "region of the state" means the
92 established geographic service area of the organization hosting the
93 reception;

94 [(12)] (L) A gift, including, but not limited to, food or beverage or
95 both, provided by an individual for the celebration of a major life
96 event, provided any such gift provided by an individual who is not a
97 member of the family of the recipient shall not exceed one thousand
98 dollars in value;

99 [(13)] (M) Gifts costing less than one hundred dollars in the
100 aggregate or food or beverage provided at a hospitality suite at a
101 meeting or conference of an interstate legislative association, by a
102 person who is not a registrant or is not doing business with the state of
103 Connecticut;

104 [(14)] (N) Admission to a charitable or civic event, including food
105 and beverage provided at such event, but excluding lodging or travel
106 expenses, at which a public official or state employee participates in
107 his or her official capacity, provided such admission is provided by the

108 primary sponsoring entity;

109 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a
110 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
111 public official or state employee, to such official, employee or spouse,
112 provided such benefits are customarily and ordinarily provided to
113 others in similar circumstances;

114 [(16)] (P) Anything having a value of not more than ten dollars,
115 provided the aggregate value of all things provided by a donor to a
116 recipient under this subdivision in any calendar year shall not exceed
117 fifty dollars;

118 [(17)] (Q) Training that is provided by a vendor for a product
119 purchased by a state or quasi-public agency which is offered to all
120 customers of such vendor; or

121 [(18)] (R) Travel expenses, lodging, food, beverage and other
122 benefits customarily provided by a prospective employer, when
123 provided to a student at a public institution of higher education whose
124 employment is derived from such student's status as a student at such
125 institution, in connection with bona fide employment discussions.

126 [(f)] (6) "Immediate family" means any spouse, children or
127 dependent relatives who reside in the individual's household.

128 [(g)] (7) "Individual" means a natural person.

129 [(h)] (8) "Member of an advisory board" means any individual [(1)]
130 (A) appointed by a public official as an advisor or consultant or
131 member of a committee, commission or council established to advise,
132 recommend or consult with a public official or branch of government
133 or committee thereof, [(2)] (B) who receives no public funds other than
134 per diem payments or reimbursement for his actual and necessary
135 expenses incurred in the performance of his official duties, and [(3)]
136 (C) who has no authority to expend any public funds or to exercise the
137 power of the state.

138 [(i)] (9) "Person" means an individual, sole proprietorship, trust,
139 corporation, limited liability company, union, association, firm,
140 partnership, committee, club or other organization or group of
141 persons.

142 [(j)] (10) "Political contribution" has the same meaning as in section
143 9-601a except that for purposes of this part, the provisions of
144 subsection (b) of [that] section 9-601a shall not apply.

145 [(k)] (11) "Public official" means any state-wide elected officer, any
146 member or member-elect of the General Assembly, any person
147 appointed to any office of the legislative, judicial or executive branch
148 of state government by the Governor or an appointee of the Governor,
149 with or without the advice and consent of the General Assembly, any
150 public member or representative of the teachers' unions or state
151 employees' unions appointed to the Investment Advisory Council
152 pursuant to subsection (a) of section 3-13b, any person appointed or
153 elected by the General Assembly or by any member of either house
154 thereof, any member or director of a quasi-public agency and the
155 spouse of the Governor, but shall not include a member of an advisory
156 board, a judge of any court either elected or appointed or a senator or
157 representative in Congress.

158 [(l)] (12) "Quasi-public agency" means the Connecticut Development
159 Authority, Connecticut Innovations, Incorporated, Connecticut Health
160 and Education Facilities Authority, Connecticut Higher Education
161 Supplemental Loan Authority, Connecticut Housing Finance
162 Authority, [Connecticut] State Housing Authority, Connecticut
163 Resources Recovery Authority, Lower Fairfield County Convention
164 Center Authority, Capital City Economic Development Authority,
165 Connecticut Lottery Corporation, Bradley Board of Directors,
166 Connecticut Transportation Strategy Board, The University of
167 Connecticut Health Center Finance Corporation, Tweed-New Haven
168 Airport Authority and Health Information Technology Exchange of
169 Connecticut.

170 [(m)] (13) "State employee" means any employee in the executive,

171 legislative or judicial branch of state government, whether in the
172 classified or unclassified service and whether full or part-time, and any
173 employee of a quasi-public agency, but shall not include a judge of any
174 court, either elected or appointed.

175 [(n)] (14) "Trust" means a trust in which any public official or state
176 employee or member of his immediate family has a present or future
177 interest which exceeds ten per cent of the value of the trust or exceeds
178 fifty thousand dollars, whichever is less, but shall not include blind
179 trusts.

180 [(o)] (15) "Business organization" means a sole proprietorship,
181 corporation, limited liability company, association, firm or partnership,
182 other than a client lobbyist, which is owned by, or employs, one or
183 more individual lobbyists.

184 [(p)] (16) "Client lobbyist" means a [person] lobbyist on behalf of
185 whom lobbying takes place and who makes expenditures for lobbying
186 and in furtherance of lobbying.

187 [(q)] (17) "Necessary expenses" means a public official's or state
188 employee's expenses for an article, appearance or speech or for
189 participation at an event, in his official capacity, which shall be limited
190 to necessary travel expenses, lodging for the nights before, of and after
191 the appearance, speech or event, meals and any related conference or
192 seminar registration fees.

193 [(r)] (18) "Lobbyist" and "registrant" shall be construed as defined in
194 section 1-91, as amended by this act.

195 [(s)] (19) "Legal defense fund" means a fund established for the
196 payment of legal expenses of a public official or state employee
197 incurred as a result of defending himself or herself in an
198 administrative, civil, criminal or constitutional proceeding concerning
199 matters related to the official's or employee's service or employment
200 with the state or a quasi-public agency.

201 [(t)] (20) "State agency" means any office, department, board,

202 council, commission, institution, constituent unit of the state system of
203 higher education, vocational-technical school or other agency in the
204 executive, legislative or judicial branch of state government.

205 Sec. 2. Section 1-80 of the general statutes is repealed and the
206 following is substituted in lieu thereof (*Effective October 1, 2011*):

207 (a) There shall be an Office of State Ethics that shall be an
208 independent state agency and shall constitute a successor agency to the
209 State Ethics Commission, in accordance with the provisions of sections
210 4-38d and 4-39. Said office shall consist of an executive director,
211 general counsel, ethics enforcement officer and such other staff as
212 hired by the executive director. Within the Office of State Ethics, there
213 shall be the Citizen's Ethics Advisory Board that shall consist of nine
214 members, appointed as follows: One member shall be appointed by the
215 speaker of the House of Representatives, one member by the president
216 pro tempore of the Senate, one member by the majority leader of the
217 Senate, one member by the minority leader of the Senate, one member
218 by the majority leader of the House of Representatives, one member by
219 the minority leader of the House of Representatives, and three
220 members by the Governor. Members of the board shall serve for four-
221 year terms which shall commence on October 1, 2005, except that
222 members first appointed shall have the following terms: The Governor
223 shall appoint two members for a term of three years and one member
224 for a term of four years; the majority leader of the House of
225 Representatives, minority leader of the House of Representatives and
226 the speaker of the House of Representatives shall each appoint one
227 member for a term of two years; the president pro tempore of the
228 Senate, the majority leader of the Senate and the minority leader of the
229 Senate shall each appoint one member for a term of four years. No
230 individual shall be appointed to more than one four-year term as a
231 member of the board, provided, members may not continue in office
232 once their term has expired and members first appointed may not be
233 reappointed. No more than five members shall be members of the
234 same political party. The members appointed by the majority leader of
235 the Senate and the majority leader of the House of Representatives

236 shall be selected from a list of nominees proposed by a citizen group
237 having an interest in ethical government. The majority leader of the
238 Senate and the majority leader of the House of Representatives shall
239 each determine the citizen group from which each will accept such
240 nominations. One member appointed by the Governor shall be
241 selected from a list of nominees proposed by a citizen group having an
242 interest in ethical government. The Governor shall determine the
243 citizen group from which the Governor will accept such nominations.

244 (b) All members shall be electors of the state. No member shall be a
245 state employee. No member or employee of [such] said board shall (1)
246 hold or campaign for any public office; (2) have held public office or
247 have been a candidate for public office for a three-year period prior to
248 appointment; (3) hold office in any political party or political
249 committee or be a member of any organization or association
250 organized primarily for the purpose of influencing legislation or
251 decisions of public agencies; or (4) be an individual who is a registrant,
252 as defined in [subsection (q) of] section 1-91, as amended by this act.

253 (c) Any vacancy on the board shall be filled by the appointing
254 authority having the power to make the original appointment. An
255 individual selected by the appointing authority to fill a vacancy shall
256 be eligible for appointment to one full four-year term thereafter. Any
257 vacancy occurring on the board shall be filled within thirty days.

258 (d) The board shall elect a chairperson who shall, except as
259 provided in subsection (b) of section 1-82 and subsection (b) of section
260 1-93, preside at meetings of the board and a vice-chairperson to
261 preside in the absence of the chairperson. Six members of the board
262 shall constitute a quorum. Except as provided in subdivision (3) of
263 subsection (a) of section 1-81, as amended by this act, subsections (a)
264 and (b) of section 1-82, subsection (b) of section 1-88, [subdivision (5)]
265 subsection (e) of section 1-92, as amended by this act, subsections (a)
266 and (b) of section 1-93 and subsection (b) of section 1-99, a majority
267 vote of the members shall be required for action of the board. The
268 chairperson or any three members may call a meeting.

269 (e) Any matter before the board, except hearings held pursuant to
270 the provisions of subsection (b) of section 1-82 or subsection (b) of
271 section 1-93, may be assigned by the board to two of its members to
272 conduct an investigation or hearing, as the case may be, to ascertain
273 the facts and report thereon to the board with a recommendation for
274 action.

275 (f) Members of the board shall be compensated at the rate of two
276 hundred dollars per day for each day they attend a meeting or hearing
277 and shall receive reimbursement for their necessary expenses incurred
278 in the discharge of their official duties.

279 (g) The board shall not be construed to be a board or commission
280 within the meaning of section 4-9a.

281 (h) The members and employees of the Citizen's Ethics Advisory
282 Board and the Office of State Ethics shall adhere to the following code
283 of ethics under which the members and employees shall: (1) Observe
284 high standards of conduct so that the integrity and independence of
285 the Citizen's Ethics Advisory Board and the Office of State Ethics may
286 be preserved; (2) respect and comply with the law and conduct
287 themselves at all times in a manner which promotes public confidence
288 in the integrity and impartiality of the board and the Office of State
289 Ethics; (3) be faithful to the law and maintain professional competence
290 in the law; (4) be unswayed by partisan interests, public clamor or fear
291 of criticism; (5) maintain order and decorum in proceedings of the
292 board and Office of State Ethics; (6) be patient, dignified and courteous
293 to all persons who appear in board or Office of State Ethics
294 proceedings and with other persons with whom the members and
295 employees deal in their official capacities; (7) refrain from making any
296 statement outside of a board or Office of State Ethics proceeding,
297 which would have a likelihood of prejudicing a board or Office of State
298 Ethics proceeding; (8) refrain from making any statement outside of a
299 board or Office of State Ethics proceeding that a reasonable person
300 would expect to be disseminated by means of public communication if
301 the member or employee should know that such statement would

302 have a likelihood of materially prejudicing or embarrassing a
303 complainant or a respondent; (9) preserve confidences of complainants
304 and respondents; (10) exercise independent professional judgment on
305 behalf of the board and Office of State Ethics; and (11) represent the
306 board and Office of State Ethics competently.

307 (i) No member or employee of the board or Office of State Ethics
308 may make a contribution, as defined in section 9-601a, to any person
309 subject to the provisions of this part.

310 (j) Members of the board shall recuse themselves from participating
311 in any proceeding or matter undertaken pursuant to this chapter that
312 involves the person who appointed such member to the board.

313 (k) No member of the board may represent any business or person,
314 other than himself or herself, before the board for a period of one year
315 following the end of such member's service on the board. No business
316 or person that appears before the board shall employ or otherwise
317 engage the services of a former member of the board for a period of
318 one year following the end of such former member's service on the
319 board.

320 (l) No member of the board may hold any other position in state
321 employment for a period of one year following the end of such
322 member's service on the board, including, but not limited to, service as
323 a member on a state board or commission, service as a judge of the
324 Superior Court or service as a state agency commissioner.

325 (m) Upon request of any aggrieved party, the board shall delay the
326 effect of any decision rendered by the board for a period not to exceed
327 more than seven days following the rendering of such decision.

328 Sec. 3. Section 1-81 of the general statutes is repealed and the
329 following is substituted in lieu thereof (*Effective October 1, 2011*):

330 (a) The board and general counsel and staff of the Office of State
331 Ethics shall:

332 (1) Compile and maintain an index of all reports, advisory opinions,
333 informal staff letters, memoranda issued in accordance with subsection
334 (b) of section 1-82 and statements filed by and with the Office of State
335 Ethics to facilitate public access to such reports and advisory opinions,
336 informal staff letters, memoranda statements as provided by this part;

337 (2) Preserve advisory opinions and informal staff letters,
338 permanently; preserve memoranda issued in accordance with
339 subsection (b) of section 1-82 and statements and reports filed by and
340 with the board for a period of five years from the date of receipt;

341 (3) Upon the concurring vote of a majority of the board present and
342 voting, issue advisory opinions with regard to the requirements of this
343 part or part IV of this chapter, upon the request of any person subject
344 to the provisions of this part or part IV of this chapter, and publish
345 such advisory opinions in the Connecticut Law Journal. Advisory
346 opinions rendered by the board, until amended or revoked, shall be
347 binding on the board and shall be deemed to be final decisions of the
348 board for purposes of appeal to the superior court, in accordance with
349 the provisions of section 4-175 or 4-183. Any advisory opinion
350 concerning the person who requested the opinion and who acted in
351 reliance thereon, in good faith, shall be binding upon the board, and it
352 shall be an absolute defense in any criminal action brought under the
353 provisions of this part or part IV of this chapter, that the accused acted
354 in reliance upon such advisory opinion;

355 (4) Respond to inquiries and provide advice regarding the code of
356 ethics either verbally or through informal letters;

357 (5) Provide yearly training to all state employees regarding the code
358 of ethics;

359 (6) Make legislative recommendations to the General Assembly and
360 report annually, [prior to April] not later than February fifteenth, to the
361 Governor summarizing the activities of the [commission;] Office of
362 State Ethics; and

363 (7) Meet not less than once per month with the office's executive
364 director and ethics enforcement officer. [; and]

365 [(8)] (b) The [commission] Office of State Ethics may enter into such
366 contractual agreements as may be necessary for the discharge of its
367 duties, within the limits of its appropriated funds and in accordance
368 with established procedures.

369 [(b)] (c) The Office of State Ethics shall employ an executive director,
370 general counsel and ethics enforcement officer, each of whom shall be
371 exempt from classified state service. The salary for the executive
372 director, general counsel and the ethics enforcement officer shall be
373 determined by the Commissioner of Administrative Services in
374 accordance with accepted personnel practices. No one person may
375 serve in more than one of the positions described in this subsection.
376 The Office of State Ethics may employ necessary staff within available
377 appropriations. Such necessary staff of the Office of State Ethics shall
378 be in classified state service.

379 [(c)] (d) The executive director, described in subsection (b) of this
380 section, shall be appointed by the Citizen's Ethics Advisory Board for
381 an open-ended term. Such appointment shall not be made until all the
382 initial board members appointed to terms commencing on October 1,
383 2005, are appointed by their respective appointing authorities,
384 pursuant to subsection (a) of section 1-80, as amended by this act. The
385 board shall annually evaluate the performance of the executive
386 director, in writing, and may remove the executive director, in
387 accordance with the provisions of chapter 67.

388 [(d)] (e) The general counsel and ethics enforcement officer
389 described in subsection [(b)] (c) of this section, and other staff of the
390 Office of State Ethics shall be appointed by the executive director of the
391 Office of State Ethics. The executive director shall annually evaluate
392 the performance of the general counsel, ethics enforcement officer and
393 such other staff, in writing, and may remove the general counsel or
394 ethics enforcement officer, in accordance with the provisions of
395 chapter 67, or such other staff, in accordance with any applicable

396 collective bargaining agreement.

397 ~~[(e)]~~ (f) There shall be a legal division within the Office of State
398 Ethics. The legal division shall provide the board with legal advice on
399 matters before said board and shall represent the board in all matters
400 in which the board is a party, without the assistance of the Attorney
401 General unless the board requests such assistance. The legal division
402 shall, under the direction of the general counsel, provide information
403 and written and verbal opinions to persons subject to the code and to
404 the general public. The general counsel, described in subsection ~~[(b)]~~
405 (c) of this section, shall supervise such division. The investigation or
406 instigation of a complaint may not occur solely because of information
407 received by the legal division.

408 ~~[(f)]~~ (g) There shall be an enforcement division within the Office of
409 State Ethics. The enforcement division shall be responsible for
410 investigating complaints brought to or by the board. The ethics
411 enforcement officer, described in subsection ~~[(b)]~~ (c) of this section,
412 shall supervise the enforcement division. The enforcement division
413 shall employ such attorneys and investigators, as necessary, within
414 available appropriations, and may refer matters to the office of the
415 Chief State's Attorney, as appropriate.

416 ~~[(g)]~~ (h) The Citizen's Ethics Advisory Board shall adopt regulations
417 in accordance with chapter 54 to carry out the purposes of this part.
418 Such regulations shall not be deemed to govern the conduct of any
419 judge trial referee in the performance of such judge trial referee's
420 duties pursuant to this chapter.

421 ~~[(h)]~~ (i) In consultation with the executive director of the Office of
422 State Ethics, the general counsel shall oversee yearly training of all
423 state personnel in the code of ethics, provide training on the code of
424 ethics to other individuals or entities subject to the code and shall
425 make recommendations as to public education regarding ethics.

426 Sec. 4. Subsection (e) of section 1-82 of the general statutes is
427 repealed and the following is substituted in lieu thereof (*Effective from*

428 *passage*):

429 (e) No person shall take or threaten to take official action against an
430 individual for such individual's disclosure of information to the board
431 or the general counsel, ethics enforcement officer or staff of the Office
432 of State Ethics under the provisions of this part or section 1-101nn.
433 After receipt of information from an individual under the provisions of
434 this part or section 1-101nn, the Office of State Ethics shall not disclose
435 the identity of such individual without such individual's consent
436 unless the Office of State Ethics determines that such disclosure is
437 unavoidable during the course of an investigation. No person shall be
438 subject to civil liability for any good faith disclosure that such person
439 makes to the [commission] Office of State Ethics.

440 Sec. 5. Subsection (a) of section 1-83 of the general statutes is
441 repealed and the following is substituted in lieu thereof (*Effective*
442 *October 1, 2011*):

443 (a) (1) All state-wide elected officers, members of the General
444 Assembly, department heads and their deputies, members of the
445 Gaming Policy Board, the executive director of the Division of Special
446 Revenue within the Department of Revenue Services, members or
447 directors of each quasi-public agency, members of the Investment
448 Advisory Council, state marshals and such members of the Executive
449 Department and such employees of quasi-public agencies as the
450 Governor shall require, shall file, under penalty of false statement, a
451 statement of financial interests for the preceding calendar year with the
452 Office of State Ethics on or before [the] May first next in any year in
453 which they hold such [a] an office or position. Any such individual
454 who leaves his or her office or position shall file a statement of
455 financial interests covering that portion of the year during which such
456 individual held his or her office or position. The Office of State Ethics
457 shall notify such individuals of the requirements of this subsection not
458 later than thirty days after their departure from such office or position.
459 Such individuals shall file such statement [within] not later than sixty
460 days after receipt of the notification.

461 (2) Each state agency, department, board and commission shall
462 develop and implement, in cooperation with the Office of State Ethics,
463 an ethics statement as it relates to the mission of the agency,
464 department, board or commission. The executive head of each such
465 agency, department, board or commission shall be directly responsible
466 for the development and enforcement of such ethics statement and
467 shall file a copy of such ethics statement with the Department of
468 Administrative Services and the Office of State Ethics.

469 Sec. 6. Subsection (j) of section 1-84 of the general statutes is
470 repealed and the following is substituted in lieu thereof (*Effective*
471 *October 1, 2011*):

472 (j) No public official, state employee or candidate for public office,
473 or a member of any such person's staff or immediate family shall
474 knowingly accept any gift, as defined in [subsection (e) of] subdivision
475 (5) of section 1-79, as amended by this act, from a person known to be a
476 registrant or anyone known to be acting on behalf of a registrant.

477 Sec. 7. Subsection (m) of section 1-84 of the general statutes is
478 repealed and the following is substituted in lieu thereof (*Effective*
479 *October 1, 2011*):

480 (m) No public official or state employee shall knowingly accept,
481 directly or indirectly, any gift, as defined in [subsection (e)]
482 subdivision (5) of section 1-79, as amended by this act, from any
483 person the public official or state employee knows or has reason to
484 know: (1) Is doing business with or seeking to do business with the
485 department or agency in which the public official or state employee is
486 employed; (2) is engaged in activities which are directly regulated by
487 such department or agency; or (3) is prequalified under section 4a-100.
488 No person shall knowingly give, directly or indirectly, any gift or gifts
489 in violation of this provision. For the purposes of this subsection, the
490 exclusion to the term "gift" in [subdivision (12) of subsection (e)]
491 subparagraph (L) of subdivision (5) of section 1-79, as amended by this
492 act, for a gift for the celebration of a major life event shall not apply.
493 Any person prohibited from making a gift under this subsection shall

494 report to the Office of State Ethics any solicitation of a gift from such
495 person by a state employee or public official.

496 Sec. 8. Section 1-84c of the general statutes is repealed and the
497 following is substituted in lieu thereof (*Effective October 1, 2011*):

498 Nothing in this chapter shall prohibit the donation of goods or
499 services, as described in [subdivision (5) of subsection (e)]
500 subparagraph (E) of subdivision (5) of section 1-79, as amended by this
501 act, to a state agency or quasi-public agency, the donation of the use of
502 facilities to facilitate state agency or quasi-public agency action or
503 functions or the donation of real property to a state agency or quasi-
504 public agency. As used in this section, "state agency" and "quasi-public
505 agency" have the same meanings as provided in section 1-79, as
506 amended by this act.

507 Sec. 9. Section 1-85 of the general statutes is repealed and the
508 following is substituted in lieu thereof (*Effective October 1, 2011*):

509 A public official, including an elected state official, or state
510 employee has an interest which is in substantial conflict with the
511 proper discharge of his duties or employment in the public interest
512 and of his responsibilities as prescribed in the laws of this state, if he
513 has reason to believe or expect that he, his spouse, a dependent child,
514 his employer other than the state or a business with which he is
515 associated will derive a direct monetary gain or suffer a direct
516 monetary loss, as the case may be, by reason of his official activity. A
517 public official, including an elected state official, or state employee
518 does not have an interest which is in substantial conflict with the
519 proper discharge of his duties in the public interest and of his
520 responsibilities as prescribed by the laws of this state, if any benefit or
521 detriment accrues to him, his spouse, a dependent child, his employer
522 other than the state or a business with which he, his spouse or such
523 dependent child is associated as a member of a profession, occupation
524 or group to no greater extent than any other member of such
525 profession, occupation or group. A public official, including an elected
526 state official or state employee who has a substantial conflict may not

527 take official action on the matter, except if the conflict concerns a direct
528 monetary gain or direct monetary loss for the other employer of an
529 elected state official, such official shall either excuse himself or prepare
530 a written statement signed under penalty of false statement describing
531 the matter requiring action and the nature of the potential conflict and
532 explaining why, despite the potential conflict, such official is able to
533 vote and otherwise participate fairly, objectively and in the public
534 interest. Such official shall deliver a copy of such statement to the
535 Office of State Ethics and enter a copy of the statement in the journal or
536 minutes of the agency.

537 Sec. 10. Subsection (a) of section 1-86 of the general statutes is
538 repealed and the following is substituted in lieu thereof (*Effective*
539 *October 1, 2011*):

540 (a) Any public official or state employee, other than an elected state
541 official, who, in the discharge of such official's or employee's official
542 duties, would be required to take an action that would affect a
543 financial interest of such official or employee, such official's or
544 employee's spouse, parent, brother, sister, child or the spouse of a
545 child, employer other than the state or a business with which such
546 official or employee is associated, other than an interest of a de
547 minimis nature, an interest that is not distinct from that of a substantial
548 segment of the general public or an interest in substantial conflict with
549 the performance of official duties, as defined in section 1-85, as
550 amended by this act, has a potential conflict of interest. Under such
551 circumstances, such official or employee shall, if such official or
552 employee is a member of a state regulatory agency, either excuse
553 himself or herself from the matter or prepare a written statement
554 signed under penalty of false statement describing the matter
555 requiring action and the nature of the potential conflict and explaining
556 why despite the potential conflict, such official or employee is able to
557 vote and otherwise participate fairly, objectively and in the public
558 interest. Such public official or state employee shall deliver a copy of
559 the statement to the Office of State Ethics and enter a copy of the
560 statement in the journal or minutes of the agency. If such official or

561 employee is not a member of a state regulatory agency, such official or
562 employee shall, in the case of either a substantial or potential conflict,
563 prepare a written statement signed under penalty of false statement
564 describing the matter requiring action and the nature of the conflict
565 and deliver a copy of the statement to such official's or employee's
566 immediate superior, if any, who shall assign the matter to another
567 employee, or if such official or employee has no immediate superior,
568 such official or employee shall take such steps as the Office of State
569 Ethics shall prescribe or advise.

570 Sec. 11. Subsection (d) of section 1-88 of the general statutes is
571 repealed and the following is substituted in lieu thereof (*Effective*
572 *October 1, 2011*):

573 (d) Any person who knowingly acts in such person's financial
574 interest in violation of section 1-84, as amended by this act, 1-85, as
575 amended by this act, 1-86, as amended by this act, [or] 1-86d, 1-86e or
576 1-101nn, or any person who knowingly receives a financial advantage
577 resulting from a violation of any of said sections shall be liable for
578 damages in the amount of such advantage. If the board determines
579 that any person may be so liable, it shall immediately inform the
580 Attorney General of that possibility.

581 Sec. 12. Section 1-91 of the general statutes is repealed and the
582 following is substituted in lieu thereof (*Effective October 1, 2011*):

583 When used in this part, unless the context otherwise requires:

584 [(a)] (1) "Administrative action" means any action or nonaction of
585 any executive agency of the state with respect to the proposal, drafting,
586 development, consideration, amendment, adoption or repeal of any
587 rule, regulation or utility rate, and any action or nonaction of any
588 executive agency or quasi-public agency, as defined in section 1-79, as
589 amended by this act, regarding a contract, grant, award, purchasing
590 agreement, loan, bond, certificate, license, permit or any other matter
591 which is within the official jurisdiction or cognizance of such an
592 agency.

593 [(b)] (2) "Candidate for public office" means any person who has
594 filed a declaration of candidacy or a petition to appear on the ballot for
595 election as a public official, or who has raised or expended money in
596 furtherance of such candidacy, or who has been nominated for
597 appointment to serve as a public official; but shall not include a
598 candidate for the office of senator or representative in Congress.

599 [(c)] (3) "Board" means the Citizen's Ethics Advisory Board
600 established under section 1-80, as amended by this act.

601 [(d)] (4) "Compensation" means any value received or to be received
602 by a person acting as a lobbyist, whether in the form of a fee, salary or
603 forbearance.

604 [(e)] (5) "Executive agency" means a commission, board, agency, or
605 other body or official in the executive branch of the state government
606 and any independent body of the state government that is not a part of
607 the legislative or judicial branch.

608 [(f)] (6) "Expenditure" means any advance, conveyance, deposit,
609 distribution, transfer of funds, loan, payment, unless expressly
610 excluded; any payments for telephone, mailing, postage, printing and
611 other clerical or office services and materials; any paid
612 communications, costing fifty dollars or more in any calendar year,
613 disseminated by means of any printing, broadcasting or other
614 medium, provided such communications refer to pending
615 administrative or legislative action; any contract, agreement, promise
616 or other obligation; any solicitation or solicitations, costing fifty dollars
617 or more in the aggregate for any calendar year, of other persons to
618 communicate with a public official or state employee for the purpose
619 of influencing any legislative or administrative act and any pledge,
620 subscription of money or anything of value. "Expenditure" [shall] does
621 not include the payment of a registrant's fee pursuant to section 1-95,
622 any expenditure made by any club, committee, partnership,
623 organization, business, union, association or corporation for the
624 purpose of publishing a newsletter or other release to its members,
625 shareholders or employees, or contributions, membership dues or

626 other fees paid to associations, nonstock corporations or tax-exempt
627 organizations under Section 501(c) of the Internal Revenue Code of
628 1986, or any subsequent corresponding internal revenue code of the
629 United States, as from time to time amended.

630 [(g)] (7) "Gift" means anything of value, which is directly and
631 personally received, unless consideration of equal or greater value is
632 given in return. "Gift" [shall] does not include:

633 [(1)] (A) A political contribution otherwise reported as required by
634 law or a donation or payment described in subdivision (9) or (10) of
635 subsection (b) of section 9-601a;

636 [(2)] (B) Services provided by persons volunteering their time, if
637 provided to aid or promote the success or defeat of any political party,
638 any candidate or candidates for public office or the position of
639 convention delegate or town committee member or any referendum
640 question;

641 [(3)] (C) A commercially reasonable loan made on terms not more
642 favorable than loans made in the ordinary course of business;

643 [(4)] (D) A gift received from [(A)] (i) the individual's spouse, fiance
644 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such
645 individual, or [(C)] (iii) the child of such individual or the spouse of
646 such child;

647 [(5)] (E) Goods or services [(A)] (i) which are provided to a state
648 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
649 agency property, or [(ii)] (II) that support an event, and [(B)] (ii) which
650 facilitate state or quasi-public agency action or functions. As used in
651 this subdivision, "state property" means [(i)] property owned by the
652 state or a quasi-public agency, or [(ii)] property leased to a state or
653 quasi-public agency;

654 [(6)] (F) A certificate, plaque or other ceremonial award costing less
655 than one hundred dollars;

656 [(7)] (G) A rebate, discount or promotional item available to the
657 general public;

658 [(8)] (H) Printed or recorded informational material germane to
659 state action or functions;

660 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
661 the aggregate per recipient in a calendar year, and consumed on an
662 occasion or occasions at which the person paying, directly or
663 indirectly, for the food or beverage, or his representative, is in
664 attendance;

665 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
666 person and consumed at a publicly noticed legislative reception to
667 which all members of the General Assembly are invited and which is
668 hosted not more than once in any calendar year by a lobbyist or
669 business organization. For the purposes of such limit, [(A)] (i) a
670 reception hosted by a lobbyist who is an individual shall be deemed to
671 have also been hosted by the business organization which he owns or
672 is employed by, and [(B)] (ii) a reception hosted by a business
673 organization shall be deemed to have also been hosted by all owners
674 and employees of the business organization who are lobbyists. In
675 making the calculation for the purposes of such fifty-dollar limit, the
676 donor shall divide the amount spent on food and beverage by the
677 number of persons whom the donor reasonably expects to attend the
678 reception;

679 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
680 person and consumed at a publicly noticed reception to which all
681 members of the General Assembly from a region of the state are
682 invited and which is hosted not more than once in any calendar year
683 by a lobbyist or business organization. For the purposes of such limit,
684 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
685 deemed to have also been hosted by the business organization which
686 he owns or is employed by, and [(B)] (ii) a reception hosted by a
687 business organization shall be deemed to have also been hosted by all
688 owners and employees of the business organization who are lobbyists.

689 In making the calculation for the purposes of such fifty-dollar limit, the
690 donor shall divide the amount spent on food and beverage by the
691 number of persons whom the donor reasonably expects to attend the
692 reception. As used in this [subdivision] subparagraph, "region of the
693 state" means the established geographic service area of the
694 organization hosting the reception;

695 [(12)] (L) A gift, including, but not limited to, food or beverage or
696 both, provided by an individual for the celebration of a major life
697 event, provided any such gift provided by an individual who is not a
698 member of the family of the recipient shall not exceed one thousand
699 dollars in value;

700 [(13)] (M) Gifts costing less than one hundred dollars in the
701 aggregate or food or beverage provided at a hospitality suite at a
702 meeting or conference of an interstate legislative association, by a
703 person who is not a registrant or is not doing business with the state of
704 Connecticut;

705 [(14)] (N) Admission to a charitable or civic event, including food
706 and beverage provided at such event, but excluding lodging or travel
707 expenses, at which a public official or state employee participates in
708 his or her official capacity, provided such admission is provided by the
709 primary sponsoring entity;

710 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a
711 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
712 public official or state employee, to such official, employee or spouse,
713 provided such benefits are customarily and ordinarily provided to
714 others in similar circumstances;

715 [(16)] (P) Anything having a value of not more than ten dollars,
716 provided the aggregate value of all things provided by a donor to a
717 recipient under this subdivision in any calendar year shall not exceed
718 fifty dollars; or

719 [(17)] (Q) Training that is provided by a vendor for a product

720 purchased by a state or quasi-public agency which is offered to all
721 customers of such vendor.

722 [(h)] (8) "Immediate family" means any spouse, dependent children
723 or dependent relatives who reside in the individual's household.

724 [(i)] (9) "Individual" means a natural person.

725 [(j)] (10) "Legislative action" means introduction, sponsorship,
726 consideration, debate, amendment, passage, defeat, approval, veto,
727 overriding of a veto or any other official action or nonaction with
728 regard to any bill, resolution, amendment, nomination, appointment,
729 report, or any other matter pending or proposed in a committee or in
730 either house of the legislature, or any matter which is within the
731 official jurisdiction or cognizance of the legislature.

732 [(k)] (11) "Lobbying" means communicating directly or soliciting
733 others to communicate with any official or his staff in the legislative or
734 executive branch of government or in a quasi-public agency, for the
735 purpose of influencing any legislative or administrative action except
736 that the term "lobbying" does not include [(1)] (A) communications by
737 or on behalf of a party to, or an intervenor in, a contested case, as
738 described in regulations adopted by the commission in accordance
739 with the provisions of chapter 54, before an executive agency or a
740 quasi-public agency, as defined in section 1-79, as amended by this act,
741 [(2)] (B) communications by a representative of a vendor or by an
742 employee of the registered client lobbyist which representative or
743 employee acts as a salesperson and does not otherwise engage in
744 lobbying regarding any administrative action, [(3)] (C)
745 communications by an attorney made while engaging in the practice of
746 law and regarding any matter other than legislative action as defined
747 in [subsection (j)] subdivision (10) of this section or the proposal,
748 drafting, development, consideration, amendment, adoption or repeal
749 of any rule or regulation, or [(4)] (D) other communications exempted
750 by regulations adopted by the commission in accordance with the
751 provisions of chapter 54.

752 [(1)] (12) "Lobbyist" means a person who in lobbying and in
753 furtherance of lobbying makes or agrees to make expenditures, or
754 receives or agrees to receive compensation, reimbursement, or both,
755 and such compensation, reimbursement or expenditures are two
756 thousand dollars or more in any calendar year or the combined
757 amount thereof is two thousand dollars or more in any such calendar
758 year. Lobbyist shall not include:

759 [(1)] (A) A public official, employee of a branch of state government
760 or a subdivision thereof, or elected or appointed official of a
761 municipality or his designee other than an independent contractor,
762 who is acting within the scope of his authority or employment;

763 [(2)] (B) A publisher, owner or an employee of the press, radio or
764 television while disseminating news or editorial comment to the
765 general public in the ordinary course of business;

766 [(3)] (C) An individual representing himself or another person
767 before the legislature or a state agency other than for the purpose of
768 influencing legislative or administrative action;

769 [(4)] (D) Any individual or employee who receives no compensation
770 or reimbursement specifically for lobbying and who limits his
771 activities solely to formal appearances to give testimony before public
772 sessions of committees of the General Assembly or public hearings of
773 state agencies and who, if he testifies, registers his appearance in the
774 records of such committees or agencies;

775 [(5)] (E) A member of an advisory board acting within the scope of
776 his appointment;

777 [(6)] (F) A senator or representative in Congress acting within the
778 scope of his office;

779 [(7)] (G) Any person who receives no compensation or
780 reimbursement specifically for lobbying and who spends no more than
781 five hours in furtherance of lobbying unless such person [(A)] (i)
782 exclusive of salary, receives compensation or makes expenditures, or

783 both, of two thousand dollars or more in any calendar year for
784 lobbying or the combined amount thereof is two thousand dollars or
785 more in any such calendar year, or [(B)] (ii) expends fifty dollars or
786 more for the benefit of a public official in the legislative or executive
787 branch, a member of his staff or immediate family;

788 [(8)] (H) A communicator lobbyist who receives or agrees to receive
789 compensation, reimbursement, or both, the aggregate amount of which
790 is less than two thousand dollars from each client in any calendar year.

791 [(m)] (13) "Member of an advisory board" means any person
792 appointed by a public official as an advisor or consultant or member of
793 a committee, commission or council established to advise, recommend
794 or consult with a public official or branch of government or committee
795 thereof and who receives no public funds other than per diem
796 payments or reimbursement for his actual and necessary expenses
797 incurred in the performance of his official duties and who has no
798 authority to expend any public funds or to exercise the power of the
799 state.

800 [(n)] (14) "Person" means an individual, a business, corporation,
801 limited liability company, union, association, firm, partnership,
802 committee, club or other organization or group of persons.

803 [(o)] (15) "Political contribution" has the same meaning as in section
804 9-601a except that for purposes of this part, the provisions of
805 subsection (b) of [that] section 9-601a shall not apply.

806 [(p)] (16) "Public official" means any state-wide elected state officer,
807 any member or member-elect of the General Assembly, any person
808 appointed to any office of the legislative, judicial or executive branch
809 of state government by the Governor, with or without the advice and
810 consent of the General Assembly, the spouse of the Governor and any
811 person appointed or elected by the General Assembly or any member
812 of either house thereof; but shall not include a member of an advisory
813 board or a senator or representative in Congress.

814 [(q)] (17) "Registrant" means a person who is required to register
815 pursuant to section 1-94, as amended by this act.

816 [(r)] (18) "Reimbursement" means any money or thing of value
817 received or to be received in the form of payment for expenses as a
818 lobbyist, not including compensation.

819 [(s)] (19) "State employee" means any employee in the executive,
820 judicial or legislative branch of state government, whether in the
821 classified or unclassified service and whether full or part-time.

822 [(t)] (20) "Business organization" means a sole proprietorship,
823 corporation, limited liability company, association, firm or partnership,
824 other than a client lobbyist, which is owned by, or employs one or
825 more individual lobbyists.

826 [(u)] (21) "Client lobbyist" means a lobbyist on behalf of whom
827 lobbying takes place and who makes expenditures for lobbying and in
828 furtherance of lobbying.

829 [(v)] (22) "Communicator lobbyist" means a lobbyist who
830 communicates directly or solicits others to communicate with an
831 official or his staff in the legislative or executive branch of government
832 or in a quasi-public agency for the purpose of influencing legislative or
833 administrative action.

834 [(w)] (23) "State agency" means any office, department, board,
835 council, commission, institution, constituent unit of the state system of
836 higher education, vocational-technical school or other agency in the
837 executive, legislative or judicial branch of state government.

838 [(x)] (24) "Quasi-public agency" means quasi-public agency, as
839 defined in section 1-79, as amended by this act.

840 Sec. 13. Subsection (a) of section 1-92 of the general statutes is
841 repealed and the following is substituted in lieu thereof (*Effective*
842 *October 1, 2011*):

843 (a) The Citizen's Ethics Advisory Board shall adopt regulations, in
844 accordance with chapter 54, to carry out the purposes of this part. Such
845 regulations shall not be deemed to govern the conduct of any judge
846 trial referee in the performance of such judge trial referee's duties
847 pursuant to this chapter. Not later than January 1, 1992, the board shall
848 adopt regulations which further clarify the meaning of the terms
849 "directly and personally received" and "major life event", as used in
850 [subsection (e)] subdivision (5) of section 1-79, as amended by this act,
851 and [subsection (g)] subdivision (7) of section 1-91, as amended by this
852 act.

853 Sec. 14. Subsection (e) of section 1-92 of the general statutes is
854 repealed and the following is substituted in lieu thereof (*Effective*
855 *October 1, 2011*):

856 (e) Upon the concurring vote of a majority of its members present
857 and voting, the board shall issue advisory opinions with regard to the
858 requirements of this part or part III of this chapter, upon the request of
859 any person, subject to the provisions of this part or part III of this
860 chapter, and publish such advisory opinions in the Connecticut Law
861 Journal. Advisory opinions rendered by the board, until amended or
862 revoked, shall be binding on the board and shall be deemed to be final
863 decisions of the board for purposes of appeal to the superior court, in
864 accordance with the provisions of section 4-175 or 4-183. Any advisory
865 opinion concerning any person subject to the provisions of this part
866 who requested the opinion and who acted in reliance thereon, in good
867 faith, shall be binding upon the board, and it shall be an absolute
868 defense in any criminal action brought under the provisions of this
869 part or part III of this chapter that the accused acted in reliance upon
870 such advisory opinion.

871 Sec. 15. Section 1-94 of the general statutes is repealed and the
872 following is substituted in lieu thereof (*Effective July 1, 2011*):

873 (a) A lobbyist shall register with the Office of State Ethics pursuant
874 to this part if it or he:

875 (1) Receives or agrees to receive compensation or reimbursement for
876 actual expenses, or both, in a combined amount of two thousand
877 dollars or more in a calendar year for lobbying, whether that receipt of
878 compensation or reimbursement or agreement to receive such
879 compensation or reimbursement is solely for lobbying or the lobbying
880 is [incidental to that] within the scope of such person's [regular]
881 employment; or

882 (2) Makes or incurs an obligation to make expenditures of two
883 thousand dollars or more in a calendar year for lobbying.

884 (b) Any person who lobbies within the scope of such person's
885 employment shall maintain a record of his or her time and
886 expenditures in furtherance of lobbying for the purpose of reporting
887 and potential registration with the Office of State Ethics.

888 Sec. 16. Section 1-96 of the general statutes is repealed and the
889 following is substituted in lieu thereof (*Effective October 1, 2011*):

890 (a) Each client lobbyist registrant shall file with the Office of State
891 Ethics between the first and tenth day of April, July and January a
892 financial report, signed under penalty of false statement. The April and
893 July reports shall cover its lobbying activities during the previous
894 calendar quarter and the January report shall cover its lobbying
895 activities during the previous two calendar quarters. In addition to
896 such reports, each client lobbyist registrant which attempts to
897 influence legislative action shall file, under penalty of false statement,
898 interim monthly reports of its lobbying activities for each month the
899 General Assembly is in regular session, except that no monthly report
900 shall be required for any month in which it neither expends nor agrees
901 to expend one hundred dollars or more in furtherance of lobbying.
902 Such interim monthly reports shall be filed with the Office of State
903 Ethics no later than the tenth day of the month following the last day
904 of the month reported. If the client lobbyist registrant is not an
905 individual, an authorized officer or agent of the client lobbyist
906 registrant shall sign the form. A communicator lobbyist for a
907 municipality or any subdivision of a municipality, a branch of state

908 government or any subdivision of state government or a quasi-public
909 agency shall file the reports described in this subsection utilizing the
910 client lobbyist reporting schedule.

911 (b) Each individual communicator lobbyist registrant and each
912 business organization communicator lobbyist registrant shall file
913 annually with the Office of State Ethics between the first and tenth day
914 of January a report or reports, signed under penalty of false statement,
915 reporting the amounts of compensation and reimbursement received
916 from each of his clients during the previous year. In addition, each
917 individual communicator lobbyist registrant and each business
918 organization communicator lobbyist registrant shall: (1) Report the
919 fundamental terms of contracts, agreements or promises to pay or
920 receive compensation or reimbursement or to make expenditures in
921 furtherance of lobbying, including the categories of work to be
922 performed and the dollar value or compensation rate of the contract, at
923 the time of registration; (2) report, in accordance with the schedule set
924 forth in subsection (a) of this section, any amendments to these
925 fundamental terms, including any agreements to subcontract lobbying
926 work; and (3) report, in accordance with the provisions of subsection
927 (a) of this section, any expenditures for the benefit of a public official in
928 the legislative or executive branch or a member of the staff or
929 immediate family of such official which are unreimbursed and
930 required to be itemized. Such report shall not include the disclosure of
931 food and beverage provided by a communicator lobbyist registrant to
932 a public official in the legislative or executive branch, or a member of
933 [his] the staff or immediate family of such official at a major life event,
934 as defined by the Citizen's Ethics Advisory Board, of the registrant. All
935 such information shall be reported under penalty of false statement.

936 (c) An individual communicator lobbyist registrant shall file a
937 separate report for each person from whom he received compensation
938 or reimbursement. Notwithstanding any provision of this subsection to
939 the contrary, a business organization to which one or more individual
940 communicator lobbyist registrants belong may file a single report for
941 each client lobbyist in lieu of any separate reports that individual

942 registrants are required to file pursuant to this subsection.

943 (d) Each registrant who files a notice of termination under
944 subsection (c) of section 1-95 shall file with the Office of State Ethics a
945 financial report, under penalty of false statement, between the first and
946 tenth day of January of the year following termination.

947 (e) Each client lobbyist registrant financial report shall be on a form
948 prescribed by the board and shall state expenditures made and the
949 fundamental terms of contracts, agreements or promises to pay
950 compensation or reimbursement or to make expenditures in
951 furtherance of lobbying. Any such fundamental terms shall be
952 reported once in the monthly, quarterly or post-termination report
953 next following the entering into of such contract. Such financial report
954 shall include an itemized statement of each expenditure of ten dollars
955 or more per person for each occasion made by the reporting registrant
956 or a group of registrants which includes the reporting registrant for the
957 benefit of a public official in the legislative or executive branch, a
958 member of [his] the staff or immediate family of such official, itemized
959 by date, beneficiary, amount and circumstances of the transaction. The
960 requirement of an itemized statement shall not apply to an
961 expenditure made by a reporting registrant or a group of registrants
962 which includes the reporting registrant for (1) the benefit of the
963 members of the General Assembly at an event that is a reception to
964 which all such members are invited or all members of a region of the
965 state, as such term is used in [subdivision (11) of subsection (g)]
966 subdivision (7) of section 1-91, as amended by this act, are invited,
967 unless the expenditure is thirty dollars or more per person, or (2)
968 benefits personally and directly received by a public official or state
969 employee at a charitable or civic event at which the public official or
970 state employee participates in his or her official capacity, unless the
971 expenditure is thirty dollars or more per person, per event. If the
972 compensation is required to be reported for an individual whose
973 lobbying is [incidental to his regular] within the scope of such person's
974 employment, it shall be sufficient to report a prorated amount based
975 on the value of the time devoted to lobbying. On the first financial

976 report following registration each client lobbyist registrant shall
977 include any expenditures incident to lobbying activities which were
978 received or expended prior to registration and not previously reported
979 to the Office of State Ethics.

980 (f) The Citizen's Ethics Advisory Board shall, by regulations
981 adopted in accordance with chapter 54, establish minimum amounts
982 for each item required to be reported, below which reporting may be
983 made in the aggregate. The provisions of this subsection shall not
984 apply to expenditures made for the benefit of a public official or a
985 member of such person's staff or immediate family.

986 (g) Each former registrant shall (1) report receipts or expenditures
987 incident to lobbying activities during his period of registration which
988 are received or expended following termination of registration, and (2)
989 report each expenditure of ten dollars or more per person for each
990 occasion made by him for the benefit of a public official or a member
991 of [such official's] the immediate family or staff [which] of such official
992 that occurs within six months after termination of registration.

993 (h) The Office of State Ethics shall, [within] not later than thirty days
994 after receipt of a financial report [which] that contains the name of a
995 public official in the legislative or executive branch or a member of
996 [such official's] the staff or immediate family of such official, send a
997 written notice to such public official, of the filing of the report and the
998 name of the person who filed it.

999 Sec. 17. Section 1-96d of the general statutes is repealed and the
1000 following is substituted in lieu thereof (*Effective October 1, 2011*):

1001 Each registrant or business organization that hosts a legislative
1002 reception to which all members are invited, or all members of a region
1003 in the state, as such term is used in subparagraph (K) of subdivision
1004 [(11) of subsection (g)] (7) of section 1-91, as amended by this act, are
1005 invited, shall include in its invitation or any published notice of such
1006 reception whether the registrant or business organization reasonably
1007 expects such expenditures to be reportable pursuant to subsection (e)

1008 of section 1-96, as amended by this act.

1009 Sec. 18. Subsection (a) of section 1-97 of the general statutes is
1010 repealed and the following is substituted in lieu thereof (*Effective*
1011 *October 1, 2011*):

1012 (a) No registrant or anyone acting on behalf of a registrant shall
1013 knowingly give a gift, as defined in [subsection (g)] subdivision (7) of
1014 section 1-91, as amended by this act, to any state employee, public
1015 official, candidate for public office or a member of any such person's
1016 staff or immediate family. Nothing in this section shall be construed to
1017 permit any activity prohibited under section 53a-147 or 53a-148.

1018 Sec. 19. Subsection (a) of section 1-100b of the general statutes is
1019 repealed and the following is substituted in lieu thereof (*Effective*
1020 *October 1, 2011*):

1021 (a) The Office of State Ethics, upon a finding that a communicator
1022 lobbyist has violated the provisions of subsection [(i)] (h) of section 9-
1023 610, may suspend [said] such lobbyist's registration for a period of not
1024 more than the remainder of the term of such registration and may
1025 prohibit [said] such lobbyist from engaging in the profession of
1026 lobbyist for a period of not more than three years.

1027 Sec. 20. Subsection (c) of section 1-100b of the general statutes is
1028 repealed and the following is substituted in lieu thereof (*Effective from*
1029 *passage*):

1030 (c) The Office of State Ethics shall make any finding under
1031 subsection (a) or (b) of this section in accordance with the same
1032 procedure set forth in section 1-93 for a finding by the [commission]
1033 board of a violation of part II of chapter 10.

1034 Sec. 21. Section 2-16a of the general statutes is repealed and the
1035 following is substituted in lieu thereof (*Effective October 1, 2011*):

1036 No state representative or state senator who is elected at the 1994
1037 state election or any election thereafter shall engage in the profession

1038 of lobbyist, as that term is defined in [subsection (l)] subdivision (12) of
1039 section 1-91, as amended by this act, until one year after the expiration
1040 of the term for which such state representative or state senator was
1041 elected.

1042 Sec. 22. Subsection (b) of section 3-13l of the general statutes is
1043 repealed and the following is substituted in lieu thereof (*Effective*
1044 *October 1, 2011*):

1045 (b) For purposes of this section:

1046 (1) "Finder's fee" means compensation in the form of cash, cash
1047 equivalents or other things of value paid to or received by a third party
1048 in connection with an investment transaction to which the state, any
1049 political subdivision of the state or any quasi-public agency, as defined
1050 in section 1-120, is a party for any services, and includes, but is not
1051 limited to, any fee paid for lobbying, as defined in [subsection (k)]
1052 subdivision (11) of section 1-91, as amended by this act, and as defined
1053 by the Citizen's Ethics Advisory Board, in consultation with the
1054 Treasurer, in the regulations adopted under subparagraph (C)(ii) of
1055 subdivision (3) of this subsection or as prescribed by the Treasurer
1056 until such regulations are adopted.

1057 (2) "Finder's fee" does not mean (A)(i) compensation earned for the
1058 rendering of investment services, as defined in subsection (f) of section
1059 9-612, or for acting as a licensed real estate broker or real estate sales
1060 person under the provisions of section 20-312, or under a comparable
1061 statute of the jurisdiction in which the subject property is located, or
1062 (ii) marketing fees or due diligence fees earned by the payee in
1063 connection with the offer, sale or purchase of any security or
1064 investment interest, in accordance with criteria prescribed under
1065 subparagraph (C)(ii) of subdivision (3) of this subsection, (B)
1066 compensation paid to (i) persons who are investment professionals
1067 engaged in the ongoing business of representing investment services
1068 providers, or (ii) third parties for services connected to the issuance of
1069 debt by the state, any political subdivision of the state or any quasi-
1070 public agency, as defined in section 1-120, and (C) any compensation

1071 which is so defined by the regulations adopted under subparagraph
1072 (C)(ii) of subdivision (3) of this subsection, or any compensation which
1073 meets criteria prescribed by the Treasurer until such regulations are
1074 adopted. As used in this section, "offer" and "sale" have the meaning
1075 provided in section 36b-3.

1076 (3) "Investment professional" means an individual or firm whose
1077 primary business is bringing together institutional funds and
1078 investment opportunities and who (A) is a broker-dealer or investment
1079 adviser agent licensed or registered (i) under the Connecticut Uniform
1080 Securities Act; (ii) in the case of an investment adviser agent, with the
1081 Securities and Exchange Commission, in accordance with the
1082 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,
1083 with the National Association of Securities Dealers in accordance with
1084 the Securities Exchange Act of 1934, or (B) is licensed under section 20-
1085 312, or under a comparable statute of the jurisdiction in which the
1086 subject property is located, or (C) (i) furnishes an investment manager
1087 with marketing services including, but not limited to, developing an
1088 overall marketing strategy focusing on more than one institutional
1089 fund, designing or publishing marketing brochures or other
1090 presentation material such as logos and brands for investment
1091 products, responding to requests for proposals, completing due
1092 diligence questionnaires, identifying a range of potential investors, or
1093 such other services as may be identified in regulations adopted under
1094 clause (ii) of this subparagraph; and (ii) meets criteria prescribed (I) by
1095 the Treasurer until regulations are adopted under this subparagraph,
1096 or (II) by the Citizen's Ethics Advisory Board, in consultation with the
1097 Treasurer, in regulations adopted in accordance with the provisions of
1098 chapter 54. Prior to adopting such regulations, the Citizen's Ethics
1099 Advisory Board shall transmit the proposed regulations to the
1100 Treasurer not later than one hundred twenty days before any period
1101 for public comment on such regulations commences and shall consider
1102 any comments or recommendations the Treasurer may have regarding
1103 such regulations. In developing such regulations, the Citizen's Ethics
1104 Advisory Board shall ensure that the state will not be competitively
1105 disadvantaged by such regulations relative to any legitimate financial

1106 market.

1107 Sec. 23. Section 4-250 of the general statutes is repealed and the
1108 following is substituted in lieu thereof (*Effective October 1, 2011*):

1109 As used in sections 4-250 to 4-252, as amended by this act:

1110 (1) "Gift" has the same meaning as provided in section 1-79, as
1111 amended by this act, except that the exclusion in [subdivision (12) of
1112 subsection (e)] subparagraph (L) of subdivision (5) of [said] section 1-
1113 79, as amended by this act, for a gift for the celebration of a major life
1114 event shall not apply;

1115 (2) "Quasi-public agency", "public official" and "state employee"
1116 have the same meanings as provided in section 1-79, as amended by
1117 this act;

1118 (3) "State agency" means any office, department, board, council,
1119 commission, institution or other agency in the executive, legislative or
1120 judicial branch of state government;

1121 (4) "Large state contract" means an agreement or a combination or
1122 series of agreements between a state agency or a quasi-public agency
1123 and a person, firm or corporation, having a total value of more than
1124 five hundred thousand dollars in a calendar or fiscal year, for (A) a
1125 project for the construction, alteration or repair of any public building
1126 or public work, (B) services, including, but not limited to, consulting
1127 and professional services, (C) the procurement of supplies, materials or
1128 equipment, (D) a lease, or (E) a licensing arrangement. The term "large
1129 state contract" shall not include a contract between a state agency or a
1130 quasi-public agency and a political subdivision of the state;

1131 (5) "Principals and key personnel" means officers, directors,
1132 shareholders, members, partners and managerial employees; and

1133 (6) "Participated substantially" means participation that is direct,
1134 extensive and substantive, and not peripheral, clerical or ministerial.

1135 Sec. 24. Subsection (b) of section 4e-34 of the general statutes is
1136 repealed and the following is substituted in lieu thereof (*Effective*
1137 *October 1, 2011*):

1138 (b) Causes for such disqualification shall include the following:

1139 (1) Conviction of, or entry of a plea of guilty or nolo contendere or
1140 admission to, the commission of a criminal offense as an incident to
1141 obtaining or attempting to obtain a public or private contract or
1142 subcontract, or in the performance of such contract or subcontract;

1143 (2) Conviction of, or entry of a plea of guilty or nolo contendere or
1144 admission to, the violation of any state or federal law for
1145 embezzlement, theft, forgery, bribery, falsification or destruction of
1146 records, receiving stolen property or any other offense indicating a
1147 lack of business integrity or business honesty which affects
1148 responsibility as a state contractor;

1149 (3) Conviction of, or entry of a plea of guilty or nolo contendere or
1150 admission to, a violation of any state or federal antitrust, collusion or
1151 conspiracy law arising out of the submission of bids or proposals on a
1152 public or private contract or subcontract;

1153 (4) Accumulation of two or more suspensions pursuant to section
1154 4e-35 within a twenty-four-month period;

1155 (5) A wilful, negligent or reckless failure to perform in accordance
1156 with the terms of one or more contracts or subcontracts, agreements or
1157 transactions with state contracting agencies;

1158 (6) A history of failure to perform or of unsatisfactory performance
1159 on one or more public contracts, agreements or transactions with state
1160 contracting agencies;

1161 (7) A wilful violation of a statutory or regulatory provision or
1162 requirement applicable to a contract, agreement or transaction with
1163 state contracting agencies;

1164 (8) A wilful or egregious violation of the ethical standards set forth
1165 in sections 1-84, as amended by this act, [and] 1-86e and 1-101nn, as
1166 determined by the Citizen's Ethics Advisory Board; or

1167 (9) Any other cause or conduct the board determines to be so
1168 serious and compelling as to affect responsibility as a state contractor,
1169 including, but not limited to:

1170 (A) Disqualification by another state for cause;

1171 (B) The fraudulent or criminal conduct of any officer, director,
1172 shareholder, partner, employee or other individual associated with a
1173 contractor, bidder or proposer of such contractor, bidder or proposer,
1174 provided such conduct occurred in connection with the individual's
1175 performance of duties for or on behalf of such contractor, bidder or
1176 proposer and such contractor, bidder or proposer knew or had reason
1177 to know of such conduct;

1178 (C) The existence of an informal or formal business relationship
1179 with a contractor who has been disqualified from bidding or
1180 proposing on state contracts of any state contracting agency.

1181 Sec. 25. Section 12-557d of the general statutes is repealed and the
1182 following is substituted in lieu thereof (*Effective October 1, 2011*):

1183 (a) There shall be a Gaming Policy Board within the Division of
1184 Special Revenue. Said board shall consist of five members appointed
1185 by the Governor with the advice and consent of both houses of the
1186 General Assembly. Not more than three members of said board in
1187 office at any one time shall be members of the same political party. On
1188 or before July 1, 1979, the Governor shall nominate three members
1189 who shall serve until July 1, 1981, and two members who shall serve
1190 until July 1, 1983. The General Assembly shall confirm or reject such
1191 nominations in the manner prescribed by section 4-7 before
1192 adjournment sine die of the 1979 regular session, except that if the
1193 nominations cannot be acted on by both houses of the General
1194 Assembly during said regular session, the General Assembly shall

1195 confirm or reject the nominations at a special session which shall be
1196 called, notwithstanding sections 2-6 and 2-7, immediately following
1197 adjournment sine die of the 1979 session reconvened in accordance
1198 with article third of the amendments to the Constitution of
1199 Connecticut, except that if no session is held pursuant to said article,
1200 the General Assembly shall meet in special session, notwithstanding
1201 sections 2-6 and 2-7, not later than August 1, 1979, to confirm or reject
1202 such nominations. Any special session called pursuant to this section
1203 shall be held for the sole purpose of confirming or rejecting the initial
1204 nominations made by the Governor to the board. Thereafter members
1205 shall serve for a term of four years and the procedure prescribed by
1206 section 4-7 shall apply to such appointments, except that the Governor
1207 shall submit such nominations on or before May first, and both houses
1208 shall confirm or reject the nominations before adjournment sine die.
1209 Members shall receive fifty dollars per day for each day they are
1210 engaged in the business of the board and shall be reimbursed for
1211 necessary expenses incurred in the performance of their duties. The
1212 executive director shall serve on the board ex officio without voting
1213 rights.

1214 (b) To insure the highest standard of legalized gambling regulation
1215 at least four of the board members shall have training or experience in
1216 at least one of the following fields: Corporate finance, economics, law,
1217 accounting, law enforcement, computer science or the pari-mutuel
1218 industry. At least two of these fields shall be represented on the board
1219 at any one time.

1220 (c) No board member shall accept any form of employment by a
1221 business organization regulated under this chapter for a period of two
1222 years following the termination of his service as a board member. The
1223 provisions of sections 1-82, as amended by this act, 1-82a and 1-88, as
1224 amended by this act, shall apply to any alleged violation of this
1225 subsection.

1226 (d) No board member shall engage in any oral ex parte
1227 communications with any representative, agent, officer or employee of

1228 any business organization regulated under this chapter concerning any
1229 matter pending or impending before the board.

1230 (e) The members of the board shall not participate actively in
1231 political management and campaigns. Such activity includes holding
1232 office in a political party, political organization or political club,
1233 campaigning for a candidate in a partisan election by making speeches,
1234 writing on behalf of a candidate, soliciting votes in support of or in
1235 opposition to a candidate and making contributions of time and
1236 money to political parties.

1237 (f) The Division of Special Revenue shall provide staff support for
1238 the board.

1239 Sec. 26. Subsection (d) of section 16-2 of the general statutes is
1240 repealed and the following is substituted in lieu thereof (*Effective*
1241 *October 1, 2011*):

1242 (d) The commissioners of the authority shall serve full time and
1243 shall [make full public disclosure of their assets, liabilities and income
1244 at the time of their appointment, and thereafter each member of the
1245 authority shall make such disclosure on or before July thirtieth of each
1246 year of such member's term, and shall file such disclosure with the
1247 office of the Secretary of the State] file a statement of financial interests
1248 with the Office of State Ethics in accordance with section 1-83, as
1249 amended by this act. Each commissioner shall receive annually a
1250 salary equal to that established for management pay plan salary group
1251 seventy-five by the Commissioner of Administrative Services, except
1252 that the chairperson shall receive annually a salary equal to that
1253 established for management pay plan salary group seventy-seven.

1254 Sec. 27. Subsection (k) of section 16-2 of the general statutes is
1255 repealed and the following is substituted in lieu thereof (*Effective*
1256 *October 1, 2011*):

1257 (k) No commissioner of the authority shall, for a period of one year
1258 following the termination of his or her service as a commissioner,

1259 accept employment: (1) By a public service company or by any person,
1260 firm or corporation engaged in lobbying activities with regard to
1261 governmental regulation of public service companies; (2) by a certified
1262 telecommunications provider or by any person, firm or corporation
1263 engaged in lobbying activities with regard to governmental regulation
1264 of persons, firms or corporations so certified; or (3) by an electric
1265 supplier or by any person, firm or corporation engaged in lobbying
1266 activities with regard to governmental regulation of electric suppliers.
1267 No such commissioner who is also an attorney shall in any capacity,
1268 appear or participate in any matter, or accept any compensation
1269 regarding a matter, before the authority, for a period of one year
1270 following the termination of his or her service as a commissioner. The
1271 provisions of sections 1-82, as amended by this act, 1-82a and 1-88, as
1272 amended by this act, shall apply to any alleged violation of this
1273 subsection.

1274 Sec. 28. Section 52-259a of the general statutes is repealed and the
1275 following is substituted in lieu thereof (*Effective October 1, 2011*):

1276 (a) Any member of the Division of Criminal Justice or the Division
1277 of Public Defender Services, any employee of the Judicial Department,
1278 acting in the performance of such employee's duties, the Attorney
1279 General, an assistant attorney general, the Consumer Counsel, any
1280 attorney employed by the Office of Consumer Counsel within the
1281 Department of Public Utility Control, the Department of Revenue
1282 Services, the Commission on Human Rights and Opportunities, the
1283 Freedom of Information Commission, the Board of Labor Relations,
1284 the Office of Protection and Advocacy for Persons with Disabilities, the
1285 Office of the Victim Advocate or the Department of Social Services, the
1286 Office of State Ethics or any attorney appointed by the court to assist
1287 any of them or to act for any of them in a special case or cases, while
1288 acting in such attorney's official capacity or in the capacity for which
1289 such attorney was appointed, shall not be required to pay the fees
1290 specified in sections 52-258, 52-259, and 52-259c, subsection (a) of
1291 section 52-356a, subsection (a) of section 52-361a, section 52-367a,
1292 subsection (b) of section 52-367b and subsection (n) of section 46b-231.

1293 (b) (1) The Immigration and Naturalization Service shall not be
 1294 required to pay any fees specified in section 52-259 for any certified
 1295 copy of any criminal record.

1296 (2) The Office of the Federal Public Defender shall not be required to
 1297 pay any fees specified in section 52-259 for any certified copy of any
 1298 criminal record.

1299 (3) An employee of the United States Probation Office, acting in the
 1300 performance of such employee's duties, shall not be required to pay
 1301 any fee specified in section 52-259 for any certified copy of any
 1302 criminal record.

1303 Sec. 29. (NEW) (*Effective July 1, 2011*) The Office of State Ethics shall
 1304 adopt regulations, in accordance with the provisions of chapter 54 of
 1305 the general statutes, to establish guidelines for the determination of
 1306 when lobbying is within the scope of a person's employment, as
 1307 described in sections 1-94 and 1-96 of the general statutes, as amended
 1308 by this act. Such regulations shall, at a minimum, address the
 1309 distinction between a person who is specifically directed by such
 1310 person's employer to lobby and a person who is not specifically
 1311 directed by such person's employer to lobby.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	1-79
Sec. 2	<i>October 1, 2011</i>	1-80
Sec. 3	<i>October 1, 2011</i>	1-81
Sec. 4	<i>from passage</i>	1-82(e)
Sec. 5	<i>October 1, 2011</i>	1-83(a)
Sec. 6	<i>October 1, 2011</i>	1-84(j)
Sec. 7	<i>October 1, 2011</i>	1-84(m)
Sec. 8	<i>October 1, 2011</i>	1-84c
Sec. 9	<i>October 1, 2011</i>	1-85
Sec. 10	<i>October 1, 2011</i>	1-86(a)
Sec. 11	<i>October 1, 2011</i>	1-88(d)
Sec. 12	<i>October 1, 2011</i>	1-91
Sec. 13	<i>October 1, 2011</i>	1-92(a)

Sec. 14	<i>October 1, 2011</i>	1-92(e)
Sec. 15	<i>July 1, 2011</i>	1-94
Sec. 16	<i>October 1, 2011</i>	1-96
Sec. 17	<i>October 1, 2011</i>	1-96d
Sec. 18	<i>October 1, 2011</i>	1-97(a)
Sec. 19	<i>October 1, 2011</i>	1-100b(a)
Sec. 20	<i>from passage</i>	1-100b(c)
Sec. 21	<i>October 1, 2011</i>	2-16a
Sec. 22	<i>October 1, 2011</i>	3-13l(b)
Sec. 23	<i>October 1, 2011</i>	4-250
Sec. 24	<i>October 1, 2011</i>	4e-34(b)
Sec. 25	<i>October 1, 2011</i>	12-557d
Sec. 26	<i>October 1, 2011</i>	16-2(d)
Sec. 27	<i>October 1, 2011</i>	16-2(k)
Sec. 28	<i>October 1, 2011</i>	52-259a
Sec. 29	<i>July 1, 2011</i>	New section

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill, which makes several changes to the State Code of Ethics and Office of State Ethics, has no associated fiscal impact to the state or municipalities.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**sHB 6272*****AN ACT CONCERNING REVISIONS TO THE STATE CODES OF ETHICS.*****SUMMARY:**

This bill makes several changes to the State Codes of Ethics for public officials and lobbyists. It authorizes the Citizens Ethics Advisory Board to interpret all parts of the code by giving it explicit authority to issue advisory opinions on miscellaneous lobbyist provisions and ethical considerations concerning bidding and state contracts. By law, the board and Office of State Ethics (OSE) staff generally have the authority to (1) respond to inquiries and provide advice regarding the code and (2) enforce it.

The bill expands the matters that create a conflict of interest under the code by prohibiting public officials and employees from taking certain actions that benefit their outside employers. It also expands the grounds for contractor disqualification by the State Contracting Standards Board (SCSB). It makes contractors, consultants, and certain other people who violate the law on unethical bidding or contracting practices to advance their own financial interests liable for damages and requires OSE to immediately inform the attorney general of a violation.

The bill specifies that only people who lobby within the scope of regular employment must register as lobbyists with OSE. It requires OSE to enforce the revolving door provisions applicable to former Gaming Policy Board members and former Public Utilities Control Authority commissioners and requires the authority's current commissioners to file their financial disclosure statements with OSE instead of the secretary of the state.

Lastly, it (1) requires OSE to submit its annual activity report to the governor two months earlier, by February 15 rather than April 15; (2) exempts OSE attorneys from paying court fees; and (3) makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2011, except (1) technical corrections changing commission to OSE or Citizens Ethics Advisory Board, as appropriate, for purposes of whistleblower protection under the Ethics Code and finding code violations are effective upon passage and (2) provisions on lobbyist registration are effective July 1, 2011.

ACTIONS BENEFITTING A PERSON'S OTHER EMPLOYER (§§ 9-10)

The bill expands the matters that create a conflict of interest under the Code of Ethics by prohibiting public officials and employees from taking certain actions that benefit their outside employer. Currently, public officials and employees are generally prohibited from taking actions that benefit themselves, their spouse, dependent children, parent, sibling, or businesses with which they are associated. Specifically, the bill prohibits them from (1) using their office, position, or confidential information received because of it to obtain a financial benefit for their employer other than the state or (2) taking official action that would cause their other employer to derive a direct monetary gain or loss greater than any other member of the same profession, occupation, or group.

Despite this prohibition, the bill, like current law, allows public officials and employees to take official action under certain conditions. Elected officials who have a conflict concerning a direct monetary gain or loss for their other employer may either recuse themselves or prepare a written statement under penalty of false statement for the agency journal or minutes and OSE that describes the matter requiring action, the potential conflict, and why they are able to vote despite it. Unelected officials and employees in a regulatory agency follow the same procedure. Other unelected officials and employees must prepare a written statement under penalty of false statement that

describes the matter requiring action and the potential conflict and deliver a copy to their immediate supervisor or OSE if they do not have an immediate supervisor.

STATE CONTRACTORS AND CONSULTANTS (§§ 11, 24)

Penalties for Violations

The bill makes contractors and consultants who violate the law on unethical bidding practices to advance their own financial interests liable for the amount of the financial advantage and requires OSE to immediately inform the attorney general of the violation.

It subjects state consultants and independent contractors to the same penalty if they benefit financially from (1) abusing their contractual authority, (2) accepting another state contract that impairs their judgment on the first contract, or (3) accepting anything of value on the understanding that a person acting on the state's behalf would be influenced. Lastly, it subjects to the same penalty anyone who gives anything of value to a state consultant or independent contractor with the understanding that the consultant or contractor, on behalf of the state, would be influenced.

Contractor Disqualification

The bill authorizes the SCSB to disqualify a contractor who is deemed a nonresponsible bidder under the Code of Ethics. By law, SCSB can disqualify a contractor from bidding on, applying for, or participating as a contractor or subcontractor on a state contract for up to five years. Currently, the board may disqualify a contractor for any cause or conduct it determines a serious and compelling showing of the contractor's irresponsibility.

LOBBYIST REGISTRATION (§§ 15, 29)

The bill potentially limits the number of people required to register as lobbyists by specifying that a person who meets the income and expenditure thresholds must register only if lobbying is within the scope of his or her regular employment, not simply incidental to regular employment as current law requires. Additionally, the bill

requires (1) anyone who lobbies within the scope of regular employment to maintain a record of time and expenditures spent on lobbying and (2) OSE to adopt regulations establishing guidelines for determining when lobbying is within the scope of a person's regular employment. At a minimum, the regulations must address the distinction between a person who lobbies at the specific direction of his or her employer and a person who is not specifically directed to lobby by his or her employer.

REVOLVING DOOR PROVISIONS (§§ 25, 27)

The bill requires OSE to enforce the existing law's revolving door provisions (see BACKGROUND) applicable to former Gaming Policy Board members and former Public Utilities Control Authority commissioners. The office must handle complaints alleging revolving door violations in the same way it handles other complaints it receives. By law, Gaming Policy Board members cannot accept employment for two years after leaving the board with a business that the Division of Special Revenue regulates. By law, Public Utilities Control Authority commissioners cannot accept employment for one year after leaving the authority with any (1) public service company, certified telecommunications provider, electric supplier or (2) person or business engaged in lobbying activities concerning government regulation of these entities.

QUASI-PUBLIC AGENCIES (§ 1)

The bill subjects members and employees of the University of Connecticut Health Center Finance Corporation and Tweed-New Haven Airport Authority to the state ethics code. This means, among other things, these people (1) must comply with the code and (2) cannot take certain actions while employed by these entities and after they leave. The Office of State Ethics has jurisdiction over them for the purpose of enforcing the code.

The bill also subjects them to (1) prohibitions against disclosing confidential information to bidders on state contracts, (2) gift affidavit and certification requirements under the law covering large state

contracts, and (3) the law on pension revocations. The bill also makes a technical change, adding the Bradley Board of Directors and the Transportation Strategy Board to the list of quasi-public agencies in CGS § 1-79 (CGS §§ 13b-57e and 15-101mm already make them quasi-public agencies by reference).

BACKGROUND

Revolving Door

The Code of Ethics for Public Officials contains several revolving door provisions by which executive and quasi-public agency officials and employees must abide when they leave state service. Generally, it prohibits them from:

1. representing anyone, other than the state, concerning any matter in which (a) they personally and substantially participated while in state service and (b) the state has a substantial interest;
2. representing anyone for one year after state service, other than the state, for compensation before the agency in which he or she served concerning any matter in which the state has a substantial interest; and
3. accepting employment for one year after service with a state contractor that has a contract valued at \$50,000 or more if they supervised or had a substantial role in negotiating or awarding the contract.

The code also prohibits certain former public officials and state employees who held positions with significant decision-making or supervisory responsibilities from seeking or accepting employment for one year after leaving state service with a business subject to regulation by their agency.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/23/2011)